

U.S. EPA, Region 8 Clean School Bus Request For Proposals (RFP) FY 2006

AGENCY NAME: U.S. Environmental Protection Agency, Region 8, Air & Radiation Program

FUNDING OPPORTUNITY NAME: Region 8 Clean School Bus USA

ANNOUNCEMENT TYPE: Initial Solicitation

RFP NO: EPA-R8-CSB-2006

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NO: 66.036 – Clean School Bus USA.

DATES

- The estimated project period for awards resulting from this solicitation is up to 24 months. All projects must be completed within the negotiated project performance period.
- The closing date for applicants to submit proposals under this announcement is November 30, 2006. Hard copy proposals submitted via U.S. mail/commercial delivery service must be post-marked by the closing date. Proposals submitted via electronic-mail (e-mail) or through grants.gov must be received by the closing date and time (6 pm Mountain Standard). See Section IV for further information.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is accepting proposals from local and federally recognized Indian Tribal governments, local and state governments, school districts and non-profit organizations for retrofit and/or replacement projects that reduce pollution from school buses within the Region 8 states of Montana, Colorado, Utah, Wyoming, North Dakota and South Dakota through the use of EPA verified or certified and/or California Air Resources Board verified pollution reduction technologies. Through this RFP, EPA anticipates awarding a total of approximately \$415,000 for 2 to 10 projects ranging from \$25,000 to \$210,000. There is a 5% cost-share required for these projects.

I. FUNDING OPPORTUNITY DESCRIPTION

A. Background

Diesel exhaust has health implications for everyone. EPA is working aggressively to reduce pollution from new heavy-duty diesel engines by requiring them to meet tougher emission standards in the future. The current standards took effect in 2004, with an even more stringent set of standards to take effect in 2007. At that time, new heavy-duty vehicles will be up to 95 percent cleaner than those engines manufactured before 2004. However, diesel engines are durable and long-lasting. It will take a long time for new vehicles to replace the heavy-duty buses currently on the road.

Children are especially sensitive to air pollution because their respiratory systems are still developing and they have a faster breathing rate. More than 24 million children ride a bus to and from school everyday, spending roughly 3 billion hours on school buses each year. Recent studies suggest that children's school bus commutes potentially expose children to significantly higher concentrations of pollutants than what is measured in the community's outdoor air. Statistics show that school buses are the safest way to transport children. EPA wants to ensure that they are also the cleanest way to transport children.

The Clean School Bus USA program is designed to reduce children's exposure to diesel exhaust from school buses. There are about 440,000 school buses on the road today, of which 400,000 are diesel. Older technology buses produce as much as six times the pollution as a new school bus. About one-third of these buses were manufactured before 1990. These buses are the heaviest polluters and should be replaced. The remaining two-thirds of the school buses were manufactured between 1990 and 2003. These buses can be made much cleaner by retrofitting them with devices designed to reduce pollution and switching to cleaner fuels. EPA's Clean School Bus USA initiative has three primary goals: 1) reduce school bus idling; 2) retrofit existing buses with devices and/or cleaner fuels that reduce pollution, and 3) replace the oldest buses with new, cleaner buses. By providing assistance funding for successful approaches to reducing pollution from school buses, EPA is making available an important tool for school districts in Region 8 to implement clean school bus projects.

Replacement, retrofit, idling reduction and/or cleaner fuels projects for school bus fleets will all be considered for this grant competition.

For examples of clean school bus projects, see EPA's Clean School Bus USA web site's Demonstration Projects page: (http://www.epa.gov/otaq/schoolbus/demo_projects.htm)

B. Project Summary

EPA is soliciting grant applications to assist school districts in their efforts to reduce pollution from diesel-powered school buses through the use of EPA- verified or certified, or California Air Resources Board (CARB) – verified, pollution reduction technology.

Applicants are advised that retrofit and/or replacement technologies must be verified or certified technologies through EPA's verification program or another EPA certification program or CARB verified. A list of EPA verified technologies is available at: <http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>. CARB listed technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

Applicants may propose to establish a sub-grant program to multiple school districts and fleets. The applicant must indicate a process by which they will award sub-grants to other school districts. EPA suggests that the evaluation criteria for this sub-grant process be modeled on this RFP's evaluation criteria. Note that letters of support are strongly suggested from possible sub-grantees, along with their appropriate fleet information.

Applications will be accepted from applicants that propose to establish sub-contracts with the

commercial school bus company(ies) providing their student transportation service to retrofit or replace buses owned by the commercial company(ies). Neither participation in such a sub-contract program nor award by EPA and acceptance by the school district of program funds is intended to establish any property rights or affect any liability with respect to any equipment purchased or modified under the program.

Retrofit, Replacement and Cleaner Fuels Options

This federal assistance funding program is for school districts to help modernize diesel fleets to lower diesel emissions. While grants may be awarded to eligible non-school districts, the funding ultimately must reduce emissions from school buses. The following are examples of strategies to be considered under this program and some information about each:

1. **Retrofit:** After-treatment emissions control technology options include diesel particulate filters, diesel oxidation catalysts, closed crankcase systems and electronic control module (ECM) reprograms, among others. It should be noted that diesel particulate filters need to be used in conjunction with ultra-low sulfur diesel fuel. In addition, filters may not be appropriate for all duty cycles and vehicles; datalogging of some vehicles by vendors must take place in order to assure that filters are an appropriate application for the particular fleet. The purpose of the datalogging is to determine which technology will work; the applicant should provide information about plans for datalogging if filters are the chosen technology. Datalogging is routinely provided by vendors and should not be included in the project budget. EPA will provide up to 100 percent of the costs for these retrofit technologies.
2. **Engine upgrades for cleaner emissions:** Some engines may be able to be upgraded to newer certified configurations or even verified cleaner versions using manufacturer recommended upgrades or kits to certified or verified configurations. These upgrades may include the addition of newer, cleaner technologies, re-calibrations, and/or other parts to reduce the emissions from the engines. It is possible to have engine upgrades that include verified improvements which will further reduce emissions, e.g., through the addition of verified retrofit technologies such as a diesel particulate filter, diesel oxidation catalyst or crankcase emission control. If engine upgrades are proposed, then it is advised that the applicant provide background information that suggests that applicant has investigated applicability of upgrading a particular engine. EPA will provide up to 50 percent of the cost of an engine repower or upgrade, including the addition of verified after-treatment devices. Applicants and their project partners will be responsible for the remainder of the cost.
3. **Cleaner Fuels:** These include biodiesel, compressed natural gas, propane and emulsions verified by EPA or listed by CARB. EPA will pay for the cost differential between the cleaner fuel and the standard diesel fuel. Ultra Low Sulfur Diesel fuel is not eligible, since it will be required for use in October, 2006.
4. **Replacement:** Both buses and engines can be replaced under this program. For both bus replacement and engine replacement, the application must show plans to scrap the old engines. Evidence of scrappage must be provided to EPA in the final report. "Scrapped" is defined as a permanently disabled engine, no longer suitable for use in a vehicle, such as a hole drilled in the block. The school district may retain possession of the scrapped engine and/or chassis. Applicants may propose an alternative to scrappage, such as remanufacturing an engine to meet newer standards for emissions. EPA will consider

such requests on a limited case-by-case basis.

- a. Bus Replacement:** EPA is encouraging the replacement of the oldest buses in the nation with buses meeting the 2007 emission standards, especially those pre-dating 1977 (the newest year of manufacture to be considered for replacement is 1992). EPA will pay a range of the percentage of the cost of a new cleaner emissions bus, with the top of the range between 30 and 45 percent. Applicants and their project partners will be responsible for the remainder of the cost.
- b. Engine Replacement:** Older engines may be replaced with newer engines that meet the 2007 heavy duty diesel emission standards. Projects can include verified improvements which will further reduce emissions, e.g., through the addition of verified retrofit technologies such as a diesel particulate filter, diesel oxidation catalyst, or crankcase emission control. Applicants should provide information in their application to show the feasibility of an engine replacement strategy, as engine and vehicle design differences may make some engine replacements difficult. As noted in the above paragraph, the replaced engines must be scrapped. EPA will pay for up to 50 percent of an engine replacement. Applicants and their project partners will be responsible for the remainder of the cost.

NOTE: It is not EPA's intention to fund replacement projects that would have occurred through the normal attrition of vehicles and equipment or to provide funds for expanding a fleet. Therefore, applicants must provide documentation in their applications that the replacement activity would not have occurred without the financial assistance provided by the agency.

C. Statutory Authority

The statutory authority for this action is the Department of the Interior, Environment and Related Agencies Appropriations Act of 2006, H.R. 2361, which became Public Law 109-54 on August 2, 2005.

D. Alignment with EPA's Strategic Plan

All proposals must support Goal 1 of EPA's 2003-2008 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, "Through 2010...[EPA will]...protect human health and the environment by attaining and maintaining health-based air-quality standards and reducing the risk from toxic air pollutants" (www.epa.gov/ocfo/plan/2003sp.pdf).

E. Measuring Environmental Results

Measuring Environmental Results: Outputs and Outcomes

Pursuant to EPA Order 5700.7, "*Environmental Results under EPA Assistance Agreements*," EPA requires that all grant recipients adequately address environmental outputs and outcomes. Outputs and outcomes differ both in their nature and in how they are measured. Applicants must discuss environmental outcomes and outputs in their proposed workplan.

- 1. Outputs:** The term “output” means an environmental activity, effort, and/or associated work products related to an environmental goal and objective, that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Expected outputs from the projects funded under this solicitation may include but are not limited to the following: numbers of retrofitted engines/vehicles/equipment, annual pounds or tons of PM2.5, NOx, CO and/or VOCs reduced, cost effectiveness of project (in \$/ton or \$/lb).

To estimate *some* of the anticipated **outputs** of your proposal, EPA encourages you to use the following models where possible. Other methodology could be used but must be described in detail in your application.

- To quantify estimated emissions reductions for the proposals in non-attainment areas, please use the National Mobile Inventory Model (<http://www.epa.gov/otaq/nmim.htm>). For technical assistance regarding this tool, please email mobile@epa.gov
- To quantify emissions reductions for biodiesel projects, please use EPA’s biodiesel calculator (<http://www.epa.gov/otaq/retrofit/techlist-biodiesel.htm>). For technical assistance with this tool, please contact Jeff Kimes at kimes.jeffrey@epa.gov or 303-312-6445.

If you are unable to use any of the above mentioned calculators, please describe your methodology in detail. The Carl Moyer Program Guidelines (<http://www.arb.ca.gov/msprog/moyer/guidelines/revisions05.htm>) Appendix B and Appendix C provide potential emissions factors and calculation methodology, respectively.

For general questions about these tools, please contact Jeffrey Kimes at kimes.jeffrey@epa.gov or 303-312-6445.

- 2. Outcomes:** The term “outcome” means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related or programmatic in nature, but must be quantitative. They may not necessarily be achievable within an assistance agreement funding period.
 - Examples of expected environmental outcomes from the projects to be funded under this announcement may include but are not limited to the following: increased understanding of the environmental or economic effectiveness of the demonstrated technology, reduced particulate matter pollution, improved air quality and health benefits achieved (i.e., numbers of illnesses, health care costs, or missed work/school days avoided, etc...).

II. AWARD INFORMATION

A. Amount of Funding Available

EPA Region 8 anticipates awarding approximately \$415,000 under this announcement. Generally, awards will range from approximately \$25,000 to \$150,000. The number of grants and/or cooperative agreements EPA will fund as a result of this announcement will be based on the quality of the proposed project and the availability of funds. It is anticipated that approximately 2 – 10 awards will be made. Proposals in which the applicant is requesting assistance funds in excess of \$415,000 or below \$10,000 will not be reviewed.

B. Funding Type

The funding will be in the form of a grant or cooperative agreement. A grant agreement is used when EPA does not anticipate substantial involvement with the recipient during the performance of the project. A cooperative agreement is an assistance agreement that is used when there is substantial federal involvement with the recipient during the performance of an activity or project. EPA will award cooperative agreements for those projects in which it expects to have substantial technical interaction with the recipient throughout the performance of the project. For such projects, EPA may review and approve project phases, review and approve proposed subgrants and contracts, collaborate with the recipient on the scope of work and mode of operation of the project, closely monitor the recipient's performance, approve any proposed changes to work plan and/or budget, approve qualifications of key personnel, and review and comment on reports prepared under the assistance agreement.

C. Start Date/Project Duration

EPA anticipates awarding grants in the first or second quarter of fiscal-year 2007, which begins October 1, 2006. Proposed project periods may be up to twenty four months.

D. Contracts and Sub-Awards

Successful applicants must compete contracts for services and products and conduct cost, price and value analyses to the extent required in 40 CFR Parts 30 or 31, as applicable, as well as any regulations covered by state or local procurement requirements. The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their application. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the application EPA approves does not relieve it of its obligations to comply with competitive procurement requirements as well as any regulations covered by state or local procurement requirements.

Sub-grants or sub-awards may be used to fund partnerships with non-profit organizations and governmental entities, or to provide financial assistance for retrofitting commercial school bus fleet operators. Successful applicants cannot use sub-grants or sub-awards to avoid requirements in EPA grant regulations for competitive procurement by using these instruments to acquire commercial services or products to carry out its cooperative agreement. The nature of the transaction between the recipient and the sub-grantee must be consistent with the standards for distinguishing between vendor transactions and sub-recipient assistance under Subpart B Section 210 of OMB Circular A-133, and the definitions of "sub-award" at 40 CFR 30.2 (ff) or "sub-grant" at 40 CFR 31.3, as applicable.

E. Miscellaneous

Funding for these projects is not guaranteed and is subject to the availability of funds and the evaluation of proposals based on the criteria in this announcement. EPA reserves the right to partially fund proposals/applications by funding discrete activities, portions, or phases of proposed projects. If EPA decides to partially fund a proposal/application, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal/application, or portion thereof, was evaluated and selected for award, and that maintains the integrity of the competition and selection process. Award of funding through this year's competition is not a guarantee of future funding.

EPA reserves the right to make additional awards under this announcement (after the original award selections are made) if additional funding becomes available. Any additional selections for awards will be made no later than 6 months after the original selection decisions. The additional selections must be made in accordance with the terms of this announcement and EPA policy.

EPA reserves the right to reject all applications and make no awards under this announcement, or make fewer awards than anticipated.

III. ELIGIBILITY INFORMATION

A. Who May Apply?

EPA is soliciting proposals from Local and Federally Recognized Indian Tribal Governments, local and state governments, school districts and non-profit organizations.

Successful applicants must use a competitive process for obtaining contracts for services and products and conduct cost and price analyses to the extent required by federal, state or local procurement requirements. All contracts and the purchase of supplies and equipment must be conducted in a manner providing free and open competition, to the maximum extent practicable. As such, applicants should refrain from mentioning specific technology producers in their proposals unless they are sole source providers.

B. Cost-Sharing or Matching

All applicants must contribute a minimum of 5 percent of the total project cost. The cost-share may be provided in the form of cash or an "in-kind" contribution. An in-kind contribution is the reasonable value of property and services which benefit the project. Proposals which do not demonstrate how the applicant will meet this minimum cost share requirement will not be considered for funding.

C. Eligibility Screening Requirements: Threshold Criteria

Proposals must meet the following threshold criteria to be eligible for funding consideration under this announcement. Failure to meet any of the following criteria in the proposal will result

in the automatic disqualification of the proposal for funding consideration. Ineligible applicants will be notified within 15 calendar days of the determination that they are ineligible based on the threshold criteria.

1. Proposals must support Goal 1 of EPA's, Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, "Through 2010...[EPA will]...protect human health and the environment by attaining and maintaining health-based air-quality standards and reducing the risk from toxic air pollutants" (www.epa.gov/ocfo/plan/2003sp.pdf) by reducing diesel emissions.
2. Proposals must not be used for the purposes of routine program implementation, implementation of routine environmental protection or restoration measures, meeting any legal mandate (such as federal, state or local regulations or settlement agreements), land acquisition, purchase of vehicles (except as described under Section I.B.3 of this RFP), or completion of work that should have been completed under a prior grant or cooperative agreement.
3. Proposals must substantially comply with the submission instructions and requirements set forth in this announcement or else they will be rejected. In addition, where a page limit is expressed in Section IV with respect to the proposal and/or parts of the proposal, pages in excess of the page limitation will not be reviewed. Further, proposals must be postmarked by (if sent through US Mail or commercial delivery service), or received by the EPA or through Grants.Gov, on or before the closing date and time published in Section IV of this announcement. Proposals postmarked or received after the published closing date and time will be returned to the sender without further consideration.
4. Proposals in which the applicant is requesting assistance funds in excess of \$415,000 or less than \$10,000 will not be reviewed.
5. Projects must be located in one or more of the following Region 8 states: Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming.
6. Proposals must include a Fleet Information Table, as described in Section IV, Part B, Subpart 2g.
7. Retrofit technologies or engine replacements must be either verified or recognized under EPA's Retrofit Program, certified by another EPA program, verified by the California Air Resources Board (CARB), or involve the application of a verified technology in an unverified application. Idle reduction technologies, which are not verified under EPA's programs, are exempt from having to meet the verification requirement.

Technologies that EPA has verified are listed on EPA's Verified Technologies List (<http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>). CARB listed technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

In cases where an applicant would like to use EPA verified technologies in applications that have not yet been verified, applicants should discuss or explain the reasoning used to determine that the technology will function properly in this application and their rationale for any estimated emissions reductions.

IV. APPLICATION AND SUBMISSION INFORMATION

A. General

Proposal workplans must be limited to five single spaced pages (the page limit applies to the cover page and narrative work plan described below which cannot exceed more than 5 single spaced pages in total). The following supporting materials may be included as attachments and will not count toward the five page limit: the fleet information table, letters of support, resumes, and a detailed budget breakout. All proposals must be formatted for 8 ½" x 11" paper using no smaller than 11 point Times New Roman font with 1" margins as one Microsoft Word or Adobe Acrobat file. See Application Instructions below for information on submitting the application material.

Please do not zip the file-it will not be considered.

It is recommended that confidential business information not be included in your proposal.

B. Proposal Work Plan Elements

Each proposal workplan should include the following components and information:

1. **Cover Page:** Include the following information:
 - a. **Project Title:**
 - b. **Project Manager:** Identify who will serve as the principal party responsible for accomplishing the activities outlined in the work plan, including phone number and email address.
 - c. **Total Project Cost:** Specify total amount requested from EPA, as well as any resources or funding from any other source that may be contributing support.
 - d. **Project Period:** Provide anticipated beginning and ending dates. Funds will likely be available to begin project/program activities some time between October 2006 and March 2007. Project periods should be no longer than twenty four months.
 - e. **Summary Statement:** One to two sentence summary of proposal describing the number of busses affected by the retrofit and/or replacement project and technology to be implemented.

- f. **School Districts:** List of affected school district(s) including school district(s) mailing and superintendent contact information.
- 2. **Narrative Workplan:** The narrative work plan must explicitly describe how the proposed project meets the guidelines established in Sections I-III, including the threshold eligibility factors in III.C, and, address each of the evaluation criteria disclosed in Section V, Part B. (Evaluation Criteria).
 - a. **Project Description:** Provide a brief project description including:
 - (i) a well-supported statement or needs assessment of how your project will reduce diesel emissions within Region 8; (ii) specify the problem to be addressed which demonstrates the reason your proposal should receive funding support, including local conditions such as non-attainment status, sensitive populations or environmental justice areas and geographical areas of impact; (iii) estimated time-line or schedule of expected target dates and milestones to achieve specific tasks and accomplishments during the budget and project period; and (iv) necessary tasks and activities that will be conducted to accomplish the objectives. Describe why you have chosen these activities to obtain the desired environmental results. The tasks and activities should be realistic and achievable within the budget and project period of the grant.
 - b. **Specific Environmental Outputs:** Identify the specific outputs in terms of number of engines retrofitted, anticipated emissions (particulate, NO_x, CO and/or VOCs) reduced (in tons or lbs/year), the cost effectiveness (in \$/lb or \$/ton). Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Also include your plan for tracking and measuring your progress towards achieving the expected outputs.
 - c. **Desired Environmental Outcomes:** Specify the quantitative and qualitative outcomes of the project, including what measurements you will use and how you will measure and evaluate the results of your project and whether you are making progress towards achieving the expected outcomes. Examples of outcomes may include, but are not limited to, the following: increased understanding of the environmental or economic effectiveness of the demonstrated technology, acceptance of new technology by users and manufacturers, improved ambient air quality, and health benefits achieved (i.e., numbers of illnesses, health care costs, or missed work/school days avoided, etc.
 - d. **Collaborations or Partnerships:** Identify all proposed partnerships and stakeholder groups that will be involved in the project and what each of the groups' roles will be in project staffing, funding, design and implementation.
 - e. **Environmental Results Past Performance:** Submit a list of Federally funded assistance agreements that your organization performed within the last three years (no more than 5 and preferably EPA agreements), and describe how you documented and/or reported on whether you were making progress towards achieving the

expected results (e.g., outputs and outcomes) under those agreements. If you were not making progress, please indicate whether, and how, you documented why not. In evaluating applicants under this factor in Section V, EPA will consider the information provided by the applicant and may also consider other relevant information from other sources, including information from EPA files and from current and prior Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you do not have any relevant or available information, please indicate this and you will receive a neutral score for this factor in Section V.

- f. **Programmatic Capability:** Submit a list of federally funded assistance agreements similar in size, scope and relevance to the proposed project that your organization performed within the last three years (no more than 5 and preferably EPA agreements) and describe (i) how you were technically able to successfully carry out and manage those agreements and (ii) your history of meeting the reporting requirements under those agreements including submitting acceptable final technical reports. In evaluating applicants under this factor in Section V, EPA will consider the information provided by the applicant and may also consider other relevant information from other sources, including information from EPA files and from current and prior Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you do not have any relevant or available information, please indicate this and you will receive a neutral score for these factors in Section V.

In addition, provide information on your organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and your staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.

3. **Fleet Information:** Provide a fleet summary, including the number of buses in the targeted fleet(s), the number of students riding the fleet, the number of students in the entire district, the fleet replacement rate, the type of retrofit technology that may be used, and the number of buses or engines that may be retrofitted or replaced. Also indicate what entity owns the buses, operates the buses, and maintains the buses, and any other general information about the fleet and its history. Bus and engine replacement projects should provide supporting documentation in the application that the replacement activity would not have occurred without the financial assistance provided by the Agency. This information should be included in the workplan, and will count toward the five page limit.

In addition, provide a Fleet Information Table listing each bus in the fleet, including the identification number, the chassis manufacturer, bus type (A, B, C or D), chassis model year, engine manufacturer, engine model number and year, annual vehicle miles traveled and/or annual hours of operation, annual fuel usage and retrofit or replacement option selected. This Fleet Information Table will not count toward the five page limit, and

should be included as an appendix to the workplan. Please see <http://www.epa.gov/cleanschoolbus/busidtable.pdf> for an example format.

- 4.. **Budget:** In the workplan, provide a budget summary that lists the total amount requested from EPA as well as what the applicant will provide as a cost/match in each of the ten categories below. This short summary should be included within the workplan, and will count toward the five page limit.

In addition, provide a detailed itemized budget proposal using the example below, justifying the expenses for each of the following categories being performed within the grant/project period. The detailed itemized budget proposal can be included as an attachment to the workplan and will not count toward the five page limit.

1. Personnel:

Indicate salaries and wages, by job title of all individuals who will be supplemented with these funds. For example:

	EPA	Match
--	------------	--------------

* Fleet Manager @ \$600/wk x 12 weeks =	\$7,200	\$0
(or)		
* Fleet Manager@ \$15/hr x 40 hrs/wk x 12/wks =	\$0	\$7,200
Total =	<u>\$7,200</u>	<u>\$7,200</u>

2. Fringe Benefits:

Indicate all mandated and voluntary benefits to be supplemented with these funds. For example:

	EPA	Match
--	------------	--------------

* Health Insurance-		
1 FTE @ \$35/month x 12/months =	\$420	\$0
* Dental –		
1 FTE @ \$40/mo x 12/months =	\$480	\$0
Total =	<u>\$900</u>	<u>\$0</u>

3. Travel:

Indicate number of individuals traveling, destination, number of trips, and reason for travel. For example:

	EPA	Match
--	------------	--------------

* Site Visit to Regional Transportation Warehouse		
Local Travel Mileage - 1000 miles x \$0.36 =	\$0	\$360
*Strategic Meeting with Co-applicants		
Air Fare for 1 person to Denver, CO =	\$250	\$0
Per diem for 2 days @ \$40/day for 1 person =	\$80	\$0
Hotel for 1 night for 1 person =	\$75	\$0
Total =	<u>\$405</u>	<u>\$360</u>

4. Equipment:

Identify items to be purchased such as air quality related instruments used in support of work plan objectives. Provide an estimated cost for each item. Make

sure you can support your cost estimate. EPA policy defines equipment as items costing \$5,000 or greater. Indicate if your Tribe/organization's definition differs. For example:

	EPA	Match
* 20 Diesel Oxidation Catalysts @ \$800/each	\$16,000	\$0
Total =	<u>\$16,000</u>	<u>\$0</u>

5. Supplies:

Indicate any items to be purchased that will be used in support of air project/program workplan objectives.

For example:

	EPA	Match
* 100 DOC and anti-idling pamphlets for community members @ \$2 each	\$0	\$200
Total =	<u>\$0</u>	<u>\$200</u>

6. Contractual:

Indicate any proposed contractual items that are reasonable and necessary to carry out the workplan objectives. Examples of contractual items include training from equipment manufacturer, installation of retrofit equipment by 3rd party, etc. For example:

	EPA	Match
* Fleet mechanic training on retrofitting, anti-idling workshop 50 mechanics @ \$100/each	\$5000	\$0
* Installation of DOCs		
20 units @ \$75/each	\$0	\$1,500
[\$15.00 per sample = 15 x 52 = \$780]		
Total =	<u>\$5,000</u>	<u>\$1,500</u>

7. Other:

Indicate general (miscellaneous) expenses necessary to carry out the objectives stated in the workplan. For example:

	EPA	Match
* Office needs (postage, phone, fax, etc.) =	\$150	\$150
* Office space		
(utilized for project-related activities such as installation, etc.)		
\$120/mo x 2/mo =	\$240	\$0
Total =	<u>\$390</u>	<u>\$150</u>

8. Total Direct Charges:

Summary of all costs associated with each object-class category.

	EPA	Match
* Total =	<u>\$29,895</u>	<u>\$9,410</u>

9. Total Indirect Costs:

Organization must provide documentation of a federally approved indirect cost rate (percentage) reflective of proposed project/grant period. Applicant should indicate if organization is in negotiations with appropriate federal agency to obtain a new rate.

EPA	Match
------------	--------------

* IDC Rate is 10% of total direct charges =	<u>\$3,895</u>	<u>\$0</u>
---	----------------	------------

10. Total Cost:
 Indicate overall figure of all direct and indirect costs. For example:

	EPA	Match
* Total Budget =	<u>\$33,790</u>	<u>\$9,410</u>

C. Application Instructions

Applicants are encouraged to apply electronically via e-mail or online using the Grants.gov website with an electronic signature. Proposals submitted via hard copy must be postmarked by November 30, 2006; proposals submitted via electronic-mail (e-mail) or through grants.gov must be received by November 30, 2006 at 6 pm Mountain Standard time.

1. Hard copy submissions should be sent to:

Jeffrey Kimes
 US EPA, Region 8
 Mail Code 8P-AR
 999 18th Street Suite 200
 Denver, Colorado 80202

2. **Instructions for E-Mail Submissions**

E-mailed proposals must be sent to kimes.jeffrey@epa.gov. The title of the email should read "2006 Clean School Bus Application." The proposal should be one attached file prepared as described in Section IV, Parts A and B above. Please do not zip the attached file. If you do not receive an email confirmation within five business days, please call the Agency Contact listed in Section VII.

3. **Instructions for Submissions Using Grants.Gov**

Applicants may submit proposals for funding through use of grants.gov. For more information, go to <http://www.grants.gov>. You will be able to submit your entire proposal package on line with no hard copy or computer disks. Please be sure to view the additional instructions that are available for download on Grants.gov for this announcement and which are included below. If you have any technical difficulties while applying electronically, please refer to <http://www.grants.gov/CustomerSupport> or call the toll free Contact Center at 1-800-518-4726.

If your organization is not currently registered with Grants.gov, please encourage your office to designate an Authorized Organization Representative (AOR) and ask that individual to begin the registration process as soon as possible. Note that the registration process may take a week or longer to complete. To begin click on "Get Started," and then "Authorized Organization Representative (AOR)."

If your organization is already registered with Grants.gov, please follow the instructions below.

To begin the application process, go to <http://www.Grants.Gov> and click on “Apply for Grants.” Following the on-line instructions, download PureEdge Viewer software and enter the Funding Opportunity Number, EPA-R8-CSB-2006, in the space provide to retrieve the application package.

Be sure to download and read the instructions and the application package at the Grants.Gov web site.

Proposal Submission Deadline: Your complete proposal must be received through Grants.gov (<http://www.grants.gov>) no later than November 30, 2006 (6 pm Mountain Standard).

Proposal Materials

The following forms and documents are required to be submitted by applicants using grants.gov under this announcement:

I. Standard Form (SF) 424, Application for Federal Assistance

Complete the form. There are no attachments. Please be sure to include organization fax number and email address in Block 5 of the Standard Form SF 424.

Please note that the organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the SF-424. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711.

II. Proposal Workplan

Prepare as described in Section IV, Parts A and B of the announcement.

The proposal workplan should be readable in PDF or MS Word for Windows and consolidated into a single file.

Submission Instructions

Documents I and II listed under Proposal Materials above should appear in the “Mandatory Documents” box on the Grants.gov Grant Application Package page.

For document I, click on the appropriate form and then click “Open Form” below the box. The fields that must be completed will be highlighted in yellow. Optional fields and completed fields will be displayed in white. If you enter an invalid response or incomplete information in a field, you will receive an error message. When you have finished filling out each form, click “Save.” When you return to the electronic Grant

Application Package page, click on the form you just completed, and then click on the box that says, “Move Form to Submission List.” This action will move the document over to the box that says, “Mandatory Completed Documents for Submission.”

For document II, you will need to attach electronic files. Prepare your proposal workplan as described above in Section IV, Parts A and B of the announcement and save the document to your computer as an MS Word or PDF file. When you are ready to attach your proposal workplan to the application package, click on “Project Narrative Attachment Form,” and open the form. Click “Add Mandatory Project Narrative File,” and then attach it (previously saved to your computer) using the browse window that appears. You may then click “View Mandatory Project Narrative File” to view it. Enter a brief descriptive title of your project in the space beside “Mandatory Project Narrative File Filename;” the filename should be no more than 40 characters long. If there other attachments that you would like to submit to accompany your proposal, you may click “Add Optional Project Narrative File” and proceed as before. When you have finished attaching the necessary documents, click “Close Form.” When you return to the “Grant Application Package” page, select the “Project Narrative Attachment Form” and click “Move Form to Submission List.” The form should now appear in the box that says, “Mandatory Completed Documents for Submission.”

Once you have finished filling out all of the forms/attachments and they appear in one of the “Completed Documents for Submission” boxes, click the “Save” button that appears at the top of the Web page. It is suggested that you save the document a second time, using a different name, since this will make it easier to submit an amended package later if necessary. Please use the following format when saving your file: “Applicant Name – FY06 – Assoc Prog Supp – 1st Submission” or “Applicant Name – FY 06 Assoc Prog Supp – Back-up Submission.” If it becomes necessary to submit an amended package at a later date, then the name of the 2nd submission should be changed to “Applicant Name – FY06 Assoc Prog Supp – 2nd Submission.”

Once your application package has been completed and saved, send it to your AOR for submission to U.S. EPA through Grants.gov. Please advise your AOR to close all other software programs before attempting to submit the application package through Grants.gov.

In the “Application Filing Name” box, your AOR should enter your organization’s name (abbreviate where possible), the fiscal year (e.g., FY06), and the grant category (e.g., Assoc Prog Supp). The filing name should not exceed 40 characters. From the “Grant Application Package” page, your AOR may submit the application package by clicking the “Submit” button that appears at the top of the page. The AOR will then be asked to verify the agency and funding opportunity number for which the application package is being submitted. If problems are encountered during the submission process, the AOR should reboot his/her computer before trying to submit the application package again. [It may be necessary to turn off the computer (not just restart it) before attempting to submit

the package again.] If the AOR continues to experience submission problems, he/she may contact Grants.gov for assistance by phone at 1-800-518-4726 or email at support@grants.gov or contact Jeffrey Kimes at 303-312-6445 and/or email at kimes.jeffrey@epa.gov.

Application packages submitted thru grants.gov will be time/date stamped electronically. If you have not received a confirmation of receipt from EPA (not from support@grant.gov) within 30 days of the application deadline, please send an email to kimes.jeffrey@epa.gov. Failure to do so may result in your application not being reviewed.

If you have never used Grants.Gov before, here are some tips.

Most organizations have found Grants.Gov to be a user friendly system. The most frequent concern has occurred when an organization has delayed obtaining the unique electronic signature to the last minute.

Register for your electronic signature early! An electronic signature requires three levels of authorization before you can submit on line. You need to decide who will be the Authorized Organization Representative (AOR), the caretaker of the electronic signature for your organization. At a university the Chief Grant Official generally signs all of the electronic grants for the entire institution. If all goes well, this process takes about a week, but some organizations have encountered internal and external delays; therefore the registration process can take longer. .

Remember, you cannot submit your application online until your organization has e-authentication credentials. Here are the basic steps:

1. Obtain a Certified DUNS Number. You must first have a certified, unique Dun and Bradstreet Universal Data Numbering System (DUNS) number. Some organizations may have more than one DUNS number registered. Only one can be certified. This can lead to unanticipated delays.
2. Central Contractor Registry and Credential Provider Registration. Once you have your unique, approved DUNS number, you need to register with the Central Contractor Registry.
3. Grants.Gov Electronic Signature Authorization. Once steps A and B are complete, you will then need to contact Grants.Gov. The AOR will be assigned a password that will enable him or her to

sign the Grants.Gov applications electronically. The AOR must be an individual who is able to make legally binding commitments for the applicant organization. Organizations may designate more than one AOR.

Be sure to download and read the instructions and the application at the Grants.Gov web site

D. DUNS

All applicants applying for funding, including renewal funding, must have a Dun and Bradstreet Universal Data Numbering System (DUNS) number. Applicants who do not already have a DUNS number may find instructions for obtaining one at the following website: <http://www.Grants.Gov/GetStarted>. A DUNS number may also be obtained by calling 1-866-705-5711.

D. Intergovernmental Review

Applicants (except for Federally Recognized Indian Tribes and Tribal Consortia) must comply with the Intergovernmental Review Process and/or consultation provisions of Executive Order 12372. EPA's implementing regulations for this Executive Order can be found at 40 CFR §§29.1-29.13.

F. Confidential Business Information

In accordance with 40 CFR 2.203, applicants may claim all or a portion of their application/proposal as confidential business information. EPA will evaluate confidentiality claims in accordance with 40 CFR Part 2. Applicants must clearly mark applications/proposals or portions of applications/proposals they claim as confidential. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204(c) (2) prior to disclosure. Note that under Public Law No. 105-277, data produced under an award is subject to the Freedom of Information Act.

G. Pre-proposal/Application Communications and Assistance

In accordance with EPA's Competition Policy of January 11, 2005 (EPA Order 5700.5A1), EPA staff will not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their applications.

However, EPA will respond to questions in writing or email (to kimes.jeffrey@epa.gov) from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. All questions and answers will be posted on the website: (<http://www.epa.gov/Region8/air/rmcdc.html>) no later than five business days after they are received.

V. PROPOSAL REVIEW INFORMATION

A. Review and Selection Process:

There will be a three-tiered review process under this announcement. The first tier will be a basic review of the proposals to assure they are eligible for a second tier review. This first tier will include a determination of whether the applicant has satisfied all threshold criteria listed in Section III, Part C.

The second tier will involve the actual evaluation of the proposals. Each eligible proposal that met the first tier review requirements will be reviewed by a panel of EPA Region 8 staff. As a competitive financial assistance program, no proposal is guaranteed funding. Each eligible proposal submitted will be evaluated by EPA against the Evaluation/Ranking Factors described in the following Part (Section V, Part B). Each proposal will be given a numerical score, with a total of 100 points possible.

The third tier review will involve a selection committee from EPA Region 8 making a preliminary funding determination. After the second tier review, proposals will be rank ordered based on their numerical scores. The selection committee will conduct a third tier review and consider the panel's rankings and will also take into consideration additional factors such as the geographic distribution of funds and the variety of retrofits, fuels, and technologies in Region 8; and diesel and air program balance and priorities. A final recommendation will be forwarded by the selection committee to the EPA Region 8 Air and Radiation Program Management for approval and final selection based on staff panel and selection committee recommendations.

B. Evaluation Criteria:

Each eligible proposal will be evaluated according to the criteria set forth below. Applicants should directly and explicitly address these criteria as part of their proposal submittal. Each proposal will be rated under a points system, with a total of 100 points possible.

- 1. Environmental Results- Measurable or Quantifiable Outputs and Outcomes: 25 pts.**
Degree to which the applicant has provided an evaluative component to the project including an estimation of anticipated emissions (particulates, air toxics, NOx, CO and/or VOCs) reductions (in tons or lbs/year), the cost-effectiveness of the project (in \$/lb or \$/ton), the health and/or environmental benefits (quantified or qualified), operational concerns or other barriers to applying the technologies, and any other measurements as

requested in Section I, Part D, Measuring Environmental Results, in addition to how the applicant's success in achieving these outputs and outcomes will be measured.

2. Programmatic Capability: 20 pts.

Under this factor, the Agency will evaluate the applicants technical ability to successfully carry out the proposed project taking into account the following factors: (i) its past performance in successfully completing and managing federally funded assistance agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years, (ii) its history of meeting reporting requirements under federally funded assistance agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years and submitting acceptable final technical reports under these agreements, (iii) its organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and (iv) its staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.

Note: In evaluating applicants under this factor, the Agency will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance or reporting history (items i and ii above), will receive a neutral score for those elements of this factor.

3. Collaboration/Partnerships and Leveraged Resources: 10 pts.

Degree to which the project proposes to work in partnership with a diverse set of stakeholders and leverage significant resources to implement the proposal.

4. Air Quality: 15 pts.

Ability of the project to positively impact the air quality in an area or school district that has concerns and issues associated with health based air quality standards and risk from air toxics.

5. Budget Reasonableness: 15 pts.

Extent to which the budget for the project is reasonable and includes all required categories, including any leveraged resources.

6. Sensitive Populations/Environmental Justice: 5 pts.

Ability of the project to reduce environmental risks to sensitive populations and environmental justice communities. Executive Order 12898 (http://www.epa.gov/compliance/resources/policies/ej/exec_order_12898.pdf) defines environmental justice communities as minority and low-income populations with disproportionately high and adverse human health or environmental impacts.

7. Demonstrated Commitment to Pollution Reductions: 5 pts.

Extent to which applicant or relevant school districts have instituted programs or policies to reduce diesel emissions, exposure to diesel emissions, or other programs to reduce air emissions or exposure to air pollutants. For example: an anti-idling policy, current use of diesel retrofits or alternative fuels, or other vehicle or engine emission reduction policies.

8. Environmental Results Past Performance: 5 pts.

Under this criterion, applicants will be evaluated based on the extent and quality to which they adequately documented and/or reported on their progress towards achieving the expected results (e.g., outcomes and outputs) under Federal agency assistance agreements performed within the last three years, and if such progress was not being made whether the applicant adequately documented and/or reported why not. Note: In evaluating applicants under this factor, EPA will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance reporting history will receive a neutral score for this factor.

VI. Award Administration Information

A. Award Notices:

EPA Region 8 will notify both successful and unsuccessful applicant(s) in writing and by electronic mail. Applicants preliminarily selected for funding will have an opportunity to negotiate elements of their final applications, and submit all required assistance documents to EPA Region 8.

Note - The notification, which advises that the applicant's proposal has been selected and is being recommended for award, is not an authorization to begin performance. The award notice signed by the EPA Award Official is the authorizing document and will be provided through postal mail. At a minimum, this process can take up to 60 days from the date of selection.

USEPA reserves the right to negotiate appropriate changes in work plans after the selection and before the final award consistent with the EPA's Assistance Agreement Competition Policy.

B. Administrative and National Policy Requirements.

1. A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at:
http://www.epa.gov/ogd/AppKit/applicable_epa_regulations_and_description.htm
2. Programmatic Terms and Conditions will be negotiated with the selected recipient.
3. Nonprofit applicants that are recommended for funding under this announcement are subject to pre-award administrative capability reviews consistent with Sections 8.b, 8.c,

and 9.d of EPA Order 5700.8, 'EPA Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards' which can be found at http://www.epa.gov/ogd/grants/award/5700_8.pdf. Nonprofit applicants that qualify for funding may, depending on the size of the award, be required to fill out and submit to the Grants Management Office the Administrative Capability Form, with supporting documents, contained in Appendix A of EPA Order 5700.8.

C. Reporting Requirement.

Quarterly progress reports and a detailed final report will be required. Quarterly reports summarizing technical progress, planned activities for next quarter and summary of expenditures are required. Applicants are further required to make a commitment to share all data collected with EPA for assessment on a regional level. The Final report shall be completed within 90 calendar days of the completion of the project period. The final report should encompass a complete overview/summary of all of the activities conducted within the grant project period; including any and all data results as well as a justification for impediments should be addressed. The schedule for submission of quarterly reports will be established by EPA, after applicant has been approved for an award.

While the Agency will negotiate precise terms and conditions relating to substantial involvement as part of the award process, EPA will not select employees or contractors employed by the recipient(s) and the final decision on the content of reports rests with the recipient(s).

D. Disputes.

Assistance agreement competition-related disputes will be resolved in accordance with the dispute resolution procedures published in 70 FR (Federal Register) 3629, 3630 (January 26, 2005) which can be found at: <http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/05-1371.htm>. Copies of these procedures may also be requested by contacting the Agency Contact listed in Section VII.

VII. AGENCY CONTACT

FOR FURTHER INFORMATION CONTACT:

Jeffrey Kimes
kimes.jeffrey@epa.gov
Phone: (303) 312-6445
Fax: (303) 312-6064

Kerri Fiedler
fiedler.kerri@epa.gov
Phone: (303) 312-6493

Fax: (303) 312-6064

VIII. OTHER INFORMATION

The EPA Award Official is the only official that can bind the Agency to the expenditure of funds for selected projects resulting from this announcement.

Rocky Mountain Clean Diesel Collaborative (RMCDC): The Rocky Mountain Clean Diesel Collaborative is a partnership between federal, state and local agencies, along with communities, non-profit organizations and private companies working together to reduce emissions from diesel engines in EPA Region 8. Additional information can be found at:
www.epa.gov/region8/air/rmcdc.html

National Clean Diesel Campaign: The National Clean Diesel Campaign's grants and funding webpage also has links to current and past grant opportunities related to diesel, including links to EPA's Smartway Transport Partnership, Clean School Bus USA and Community Action for a Renewed Environment (CARE) grants at: <http://www.epa.gov/cleandiesel/grantfund.htm>.